

EX PARTE OR LATE FILED



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Counsel

February 13, 1997

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WRITTEN EX PARTE PRESENTATION

William F. Caton, Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C.

Re: CC Docket No. 96-128  
Ameritech CEI Plan for Pay Telephone Services

Dear Mr. Caton:

Pursuant to §1.1206 of the Commission's rules, Ameritech submits this written ex parte presentation in connection with its CEI plan for pay telephone services.

By way of clarification, ProfitMaster™ is an adjunct feature that Ameritech offers in connection with its Customer Owned Pay Telephone ("COPT") service line. That line is normally used by pay telephone service providers with "smart" sets. However, ProfitMaster provides features -- including coin box counting, pre-prompting for overtime (which prompts the caller for additional coins before the call goes into overtime), time of day restrictions, flexible rating and local call timing -- that facilitate the use of less expensive "dumb" pay stations. Despite Ameritech's promotion of the service, there has been little demand in those offices in which the service has been deployed.<sup>1</sup>

<sup>1</sup> The service is not currently available everywhere. The technology can currently be implemented only in conjunction with digital switches. In addition, because of the significant cost of deployment, Ameritech cannot further deploy the service without evidence that there is a demand. Demand is one of the factors a BOC may consider in responding to unbundling requests under the 120-day ONA process. (Order at ¶¶ 148, 200.)

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Further, the rating flexibility provided by ProfitMaster is, however, useful for only a small fraction of the calls placed from pay telephones. Obviously, rating flexibility is not necessary for operator assisted calls. Those calls are handled by operator service providers that have their own rating capabilities. Rather, this rating capability is only applicable to sent-paid ("coins in the box") calls. And then, it is only really relevant to sent-paid intraLATA toll calls. That is because the rates for interLATA sent-paid calls will be determined by the presubscribed interexchange carrier and the rate for sent-paid local calls -- i.e., the "drop rate" required to place a local call from a coin station -- is programmed into the set itself -- even "dumb" sets.

Ameritech estimates, however, that sent-paid intraLATA calls amount to only about one-half of 1% (0.5%) of all calls placed from pay stations. This estimate is arrived at by looking at the region-wide average traffic per station per month for Ameritech's pay telephones. That traffic, based on a year's worth of data, is broken down as follows:

	# of Calls	%
Local NSP	12.1	2.5%
IntraLATA Toll NSP	12.7	2.6
InterLATA NSP	24.8	5.1
InterLATA SP	2.5	0.5
<b>IntraLATA Toll SP</b>	<b>2.5</b>	<b>0.5</b>
Local SP	303.7	62.1
Dial Around	131.0*	26.8

Usage from non-inmate phones

InterLATA NSP is estimated to equal Local plus IntraLATA Toll NSP

InterLATA SP is estimated to equal IntraLATA Toll SP

\*From FCC's Report and Order in CC Docket No. 96-128 (released September 20, 1996) at ¶125.

Thus, the additional rating functionality provided by ProfitMaster -- i.e., for intraLATA toll sent-paid calls -- would be applicable to a very small portion of the calls placed from any independent pay telephone service provider's telephones.

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Moreover, in addition to Ameritech, there are two other carriers -- AT&T and AMNEX -- that have coin control and coin signaling capability in connection with intraLATA calling. Independent pay telephone service providers subscribing to Ameritech's IPP Coin Line (for use with "dumb" pay stations) will be able to route those sent-paid intraLATA toll calls to other carriers with the capability to rate those calls different from the way Ameritech rates those calls.

In sum, Ameritech stands willing to provide ProfitMaster functionality as the market demands. It continues to believe that ProfitMaster can be useful for independent pay telephone service providers. However, there is no "essential" functionality provided by ProfitMaster that is not available from another source. Moreover, the rating capability referred to by commenting parties is applicable to only a very small percentage of calls placed from pay stations. In this light, the Commission should not mandate the provision of ProfitMaster functionality.

Sincerely,

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